



NEWS RELEASE

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FOR IMMEDIATE RELEASE –May 23, 2006
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USDA Rural Development Increases Income Limits For Home Loan Eligibility **Fort Riley Region To Benefit From Income Limit Increase**

Topeka, KS. – USDA Rural Development State Director Chuck Banks announced today that the adjusted annual income limits for the Agency's Guaranteed and Direct Rural Housing Loan programs have increased. The adjustments of the income eligibility limits will allow more individuals and families interested in homeownership to qualify for these loan programs. Expanding affordable and safe housing opportunities has been a top priority of USDA Rural Development for more than 70 years.

In the Guaranteed Rural Housing Program, the income limits increased 2.7% for most counties in Kansas. For a family of four, the new adjusted annual income limit is \$68,550. The adjusted annual income limits are higher in larger metro area counties. In figuring an applicant's adjusted annual income, deductions of \$480 per dependent child are allowed and if both spouses work, child care expenses are also deductible. "So a family of four with two children earning \$74,000 and having child care expenses of \$5,000 would have an adjusted annual Income of \$68,040 and still qualify for a Guaranteed Rural Housing loan", Banks noted.

Guaranteed Rural Housing loans are made by approved commercial lenders and provide home purchase financing up to 102% of appraised value without requiring a downpayment or monthly mortgage insurance. The Agency also provides direct home loans for those with lower incomes, and those income limits have also increased for most counties in Kansas. For more information, call 785-271-2722 or go online at: <http://www.rurdev.usda.gov/ks/offices.htm>

USDA Rural Development's mission is to deliver programs that support increasing economic opportunities and enhancing the quality of life for rural Americans. As a venture capital entity, USDA Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure in rural America. During Fiscal Year 2005, USDA Rural Development delivered nearly \$235 million in community and economic development programming benefiting Kansas.

USDA Rural Development – *Committed to the Future of Rural Communities.*

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